

GENERAL AMERICAN MUTUAL HOLDING COMPANY
IN REHABILITATION

**NOTICE OF HEARING ON AND SUMMARY OF
PROPOSED REORGANIZATION PLAN FOR
GENERAL AMERICAN MUTUAL HOLDING COMPANY**

**KEITH WENZEL, DIRECTOR,
DEPARTMENT OF INSURANCE,
STATE OF MISSOURI,
AS REHABILITATOR**

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NOTICE OF HEARING ON AND
SUMMARY OF PROPOSED REORGANIZATION PLAN FOR
GENERAL AMERICAN MUTUAL HOLDING COMPANY

**TO ALL MEMBERS AND CREDITORS OF GENERAL AMERICAN MUTUAL
HOLDING COMPANY,**

ALL CREDITORS OF GENAMERICA CORPORATION,

**ALL HOLDERS OF POLICIES OR OTHER INSURANCE CONTRACTS OF GENERAL
AMERICAN LIFE INSURANCE COMPANY,**

AND OTHER INTERESTED PARTIES:

PLEASE TAKE NOTICE that Keith Wenzel, Director of the Missouri Department of Insurance, has filed a Verified Petition in the Circuit Court of Cole County, in an action styled *Wenzel v. General American Mutual Holding Company*, Case No. _____, for an order placing GAMHC into rehabilitation. That Petition was granted, and an order was entered September 17, 1999 appointing the Director as the statutory rehabilitator (the "Rehabilitator") over GAMHC. The Rehabilitator concurrently filed his proposed plan for the rehabilitation and reorganization of GAMHC, and a hearing has been set to commence on November 10, 1999 at 9:00 a.m. in the Circuit Court of Cole County, Missouri for the purpose of presenting and considering evidence in support of or in opposition to the proposed reorganization plan.

PLEASE TAKE FURTHER NOTICE that the subsidiaries of GAMHC, including General American Life Insurance Company, are not in rehabilitation proceedings, and the proposed plan of reorganization described below does not affect the rights under policies issued by General American Life Insurance Company or the other insurance company subsidiaries.

The following text contains a summary of pertinent portions of the reorganization plan. This summary is intended to provide you with fair, reasonable and adequate notice of the reorganization plan and related court proceedings.

I.
INTRODUCTION

A. Description of Parties.

GAMHC is a Missouri mutual holding company which owns all of the stock of GAC.¹

GAC is also a holding company, and its principal operating subsidiary is GALIC. GALIC is an insurance company, and wholly owns several other insurance company subsidiaries. GALIC also has indirect majority interests in two other entities, RGA and Conning. The shares of RGA and Conning not held by GALIC's indirect subsidiaries are publicly traded.

MetLife is the buyer of all of the outstanding capital stock of GAC under the proposed Reorganization Plan, described below.

B. Summary.

On August 10, 1999, following GALIC's request, the Department placed GALIC under administrative supervision. The immediate cause of the supervision order was GALIC's inability to satisfy approximately \$4 billion in surrenders by the holders of certain funding agreements. The effect of administrative supervision is that GALIC continues to operate under the Department's supervision in order to preserve GALIC's assets against large immediate cash demands, and to protect the interests of GALIC's approximately 300,000 policyholders.

In response to this liquidity issue, the Department worked closely with the Company to explore possible solutions. The solution that emerged as the best one for interested parties was the sale of GAMHC's stock in GAC (and, accordingly, indirect ownership and control of all of GAC's subsidiaries) to MetLife for a purchase price of \$1.2 billion (subject to adjustment).

The Department also determined that GALIC's policyholders and creditors, as well as GAMHC's members, creditors and other constituencies, could best

¹The meanings of capitalized terms are set forth in a glossary attached hereto.

be protected by placing GAMHC into rehabilitation and consummating the proposed sale to MetLife through that proceeding. Rehabilitation is a court proceeding in which the Rehabilitation Court assumes exclusive jurisdiction over all assets of, and claims against, GAMHC. On September 17, 1999, the Director (i) obtained an order from the Rehabilitation Court placing GAMHC into Rehabilitation, (ii) obtained an order from the Rehabilitation Court approving portions of the Agreement and establishing certain procedures relating to the sale of the stock of GAC, and (iii) proposed the Reorganization Plan.

If approved by the Rehabilitation Court, the Reorganization Plan will result in the sale by GAMHC of all of the outstanding common stock of GAC, GAMHC's wholly owned subsidiary, to MetLife. The Rehabilitator believes that the Reorganization Plan is fair and equitable to GAMHC's members and other interested parties. The Director also expects to approve MetLife programs (i) to support new and existing business of GALIC and certain of its subsidiaries, and (ii) to stabilize GALIC's funding agreement business. These are expected to take effect prior to the consummation of the Reorganization Plan.

This notice is being sent pursuant to an order of the Rehabilitation Court that granted the Verified Petition and that established the procedures for a hearing on the Reorganization Plan. This order, and a related order that approved portions of the Agreement and that established certain procedures relating to the sale of the stock of GAC, are set forth in their entirety in Section VII below. These procedures will culminate in an evidentiary hearing before the Rehabilitation Court commencing on November 10, 1999, and continuing on November 12, 1999, if necessary. At the conclusion of the hearing, the Rehabilitator will request entry of the Plan Confirmation Judgment which will approve and authorize the sale to MetLife and the other aspects of the Reorganization Plan.

II. BACKGROUND

GAMHC is a Missouri mutual insurance holding company. A mutual insurance holding company is a corporation that is created when a mutual insurance company converts into a stock-owned company. After the conversion, participating policyholders' interests in the mutual insurance company are converted into membership interests in the mutual holding company, and the mutual holding company owns the stock of the insurance company. The members are persons who own certain kinds of policies issued by the converted mutual insurance company.

GAMHC owns 100% of the outstanding common stock of GAC, an intermediate holding company which, in turn, owns 100% of the outstanding common

stock of GALIC.² GALIC wholly or partially owns a number of subsidiaries in the United States and in several foreign countries. Through its operating subsidiaries, GAMHC has been a leading provider of life insurance, life reinsurance, and other financial services to high-income individuals, businesses, insurance companies and other financial institutions. At the end of 1998, GAMHC and its subsidiaries had total consolidated assets of \$28.9 billion, and, for the year ending December 31, 1998, had net operating income of \$103.7 million.

GALIC is one of GAMHC's largest operating subsidiaries. Recently, a series of events caused GALIC to face a short-term liquidity problem, leading to GALIC's August 10, 1999 request that the Department place it under administrative supervision. These events arose from GALIC's funding agreement business.

Funding agreements are insurance contracts that resemble short term bonds and serve as investment instruments. Many funding agreements sold by GALIC to institutional customers, such as pension, mutual and money market funds, had seven or thirty-day cash-in options.

GALIC began issuing funding agreements in 1993 when it entered into a business arrangement with ARM. GALIC and Conning formed a reinsurance and marketing relationship with ARM. (Reinsurance is the means by which an insurer transfers certain obligations to another insurer while remaining directly responsible to the persons to whom the original contracts were issued.) The reinsurance arrangement provided for GALIC to transfer 50% of its funding agreement obligations to Integrity, an ARM subsidiary, but GALIC remained ultimately responsible to satisfy all required payments to the funding agreement holders. Between 1994 and 1998, GALIC issued approximately \$6.8 billion of funding agreements. One-half of GALIC's liability under such agreements, or \$3.4 billion, was reinsured with Integrity. The Department has been advised that Integrity invested these funds in highly interest-rate-sensitive investments, which became difficult to sell at full value when the funding agreements were cashed in.

Because of these arrangements, in March 1999, Moody's Investors Service ("Moody's") downgraded GALIC's rating. In light of ARM's decision in May, 1999 to exit the funding agreement business and ARM's own ratings decline, GALIC

² A Schedule setting forth all of the direct and indirect subsidiaries is attached to the Agreement. This discussion refers only to the main components of the structure.

recaptured, effective July 26, 1999, the funding agreement business it had transferred to Integrity.

On July 30, 1999, Moody's further downgraded GALIC's rating, citing the termination of the Integrity arrangement and losses announced by ARM.

Because of the downgrade in GALIC's rating, many of the funding agreement holders exercised seven or thirty-day cash-in options that were contained in the funding agreements. GALIC had set aside substantial funds to satisfy funding agreement surrenders, but such funds proved to be inadequate. Between July 30 and August 4, customers holding approximately \$4 billion in funding agreements demanded cash. This created severe pressure on GALIC's readily available cash to meet the surrender demands.

GALIC immediately attempted to raise the cash to satisfy the demands of its funding agreement customers through a sale of certain of its assets. By August 7, however, it was apparent that GALIC would be unable to sell sufficient assets to cover the funding agreement obligations without incurring losses that could adversely affect its ability to meet its obligations to all of its other policyholders. On August 10, 1999 the Department placed GALIC under administrative supervision. GAMHC then began exploring its alternative options under the oversight of the Director.

The ratings downgrade and the public disclosure of the problems faced by GALIC also had a negative effect on GALIC's ability to issue new life insurance business. It became clear that, absent a development that created confidence in the market, GALIC's life insurance business also would be at risk of deterioration. While this would not immediately threaten GALIC's ability to perform under its existing policies, it would result in a reduction in the overall value of the enterprise, thereby diminishing the return for GAMHC's members.

Following issuance of the supervision order, the Department worked closely with GALIC and GAMHC to resolve the crisis caused by the inability to satisfy the funding agreement surrenders in a fashion that would fully protect the members of GAMHC and the policyholders of GALIC. Both GALIC and the Director retained experienced investment banking advisors to provide strategic and financial advice with respect to the options. Time was of the essence, given GALIC's liquidity crisis and the attendant negative publicity.

GALIC's advisors recommended that the best means of preserving the value inherent in GALIC for the members of GAMHC and policyholders of GALIC was a sale of GAC (together with its subsidiaries, such as GALIC), and so advised the Director. GAMHC thereupon quickly assembled a sale process designed to elicit offers

for the purchase of GAMHC's stock in GAC. There were many expressions of interest in response to the sale process, and an auction developed that involved several companies, including MetLife, with MetLife improving its bid through the process. The Director's advisors also concurred in this strategy.

The sale process culminated in the approval of the Agreement by GAMHC's board of directors and the execution of the Agreement on August 26, 1999 by MetLife and GAMHC.

III. THE REORGANIZATION PLAN³

A. The Sale.

The Agreement provides that GAMHC will sell 100% of the outstanding common stock of GAC to MetLife, thereby transferring to MetLife all of GAMHC's interest in its operating indirect subsidiaries and affiliates, including GALIC, RGA and Conning. Ultimately, GAMHC will be dissolved, and the purchase price proceeds will be the sole source for satisfying any claims against, and membership interests of, GAMHC.

B. Purchase Price.

The purchase price is \$1.2 billion, subject to adjustment for failure to close the sale by the later of (i) 120 days from August 26, 1999, or (ii) the date of the last required approval from a non-Missouri governmental authority. Initially, the reduction is \$1 million per day and, after 60 additional days, increases to \$2 million per day.

The purchase price is to be held in an Account and, together with interest earnings thereon, will be used to indemnify MetLife with respect to certain claims and losses set forth in the Agreement and to pay certain taxes and expenses of GAMHC, including expenses in connection with the Rehabilitation. To the extent that funds are not necessary to pay those amounts, they will be made available for distribution to

³ The following is only a summary of the principal provisions of the Reorganization Plan and of the Agreement and is qualified in its entirety by the express terms of those documents.

creditors of GAMHC and its members. Disputes between MetLife and the Rehabilitator with respect to payments from the Account will be resolved by agreed-upon dispute resolution procedures, with review by the Rehabilitation Court.

C. Policyholder Rights.

The policyholder obligations will remain the obligation of GALIC or the applicable insurance company subsidiary. Premiums, benefits, guarantees, interest crediting rates, values, dividend rights or other terms of insurance policies or contracts will not be changed as a direct result of the sale to MetLife.

D. GAMHC's Obligations to Indemnify MetLife.

GAMHC's obligations to indemnify MetLife will be satisfied from the Account. In addition to indemnities for breach of covenants or warranties and representations that are common in such transactions, GAMHC must also indemnify MetLife against any loss incurred based upon or arising from (i) any direct or derivative action brought or threatened *within three years after closing* by any person based on any legal theory (a) seeking relief as a result of MetLife's acquisition of GAC, (b) resulting from any alleged breaches of contract relating to the funding agreement business occurring on or after July 15, 1999, or (c) arising out of the financial distress of GALIC relating to the funding agreement business; (ii) any and all indemnification claims by officers, directors or employees of certain specified entities relating to claims described in (i); (iii) liabilities with respect to any undisclosed employee benefit plans of certain specified entities; and (iv) certain liabilities relating to additional or accelerated compensation or benefit payments resulting from the transaction.

E. MetLife's Obligation to Close and Mutual Closing Conditions.

In addition to customary conditions, MetLife's obligation to close is subject to the following conditions: GAC shall not have commenced a voluntary bankruptcy proceeding, or, if an involuntary case shall have been commenced, it shall have been dismissed within 60 days after commencement; the shareholders of RGA shall have approved certain transactions set forth in a proxy dated July 23, 1999; and approvals or orders required in connection with the Reorganization Plan to permit the consummation of the sale shall have been obtained and (i) have become final and nonappealable, or (ii) the appeal period shall have expired, one or more appeals shall have been timely filed and not withdrawn, any approvals or orders shall not have been stayed or reversed prior to closing, and MetLife shall have determined that such appeals are unlikely to invalidate its title to the stock of GAC.

The closing is also conditioned upon obtaining all required government approvals, which are required in light of the change of control of the insurance

company subsidiaries to MetLife. The Department, as well as the insurance departments of certain other states, will separately evaluate the transaction for compliance with various statutory provisions that are triggered by the change of control and by certain other aspects of the transaction. The Director has agreed to process MetLife's applications expeditiously.

Finally, mutual obligations of MetLife and GAMHC to close, include, among other things, that the Reorganization Plan incorporate the Agreement.

F. Interim Arrangements.

MetLife and GAMHC are developing programs to extend through the closing of the acquisition to provide support for GALIC's and certain of its subsidiaries' new and existing policies.

MetLife and GAMHC have also developed a program specifically for the funding agreement business. It is an exchange program, under which MetLife has offered each funding agreement holder, at the holder's choice, (i) a MetLife exchange contract, or (ii) cash on October 1, 1999, in consideration for GALIC's transfer to MetLife of assets equal to the market value of the liabilities under the funding agreements being exchanged, plus a payment of up to \$120 million. Upon the closing of the sale of GAC stock to MetLife, and, in accordance with the Agreement, MetLife will make a capital contribution of up to \$120 million to GALIC.

MetLife's willingness to provide interim arrangements that both resolved the liquidity crisis caused by the funding agreement cash-ins as well as supported the issuance of new business was a significant factor behind GAMHC's acceptance of MetLife's offer.

G. Employees Protected.

MetLife has agreed for a period of one year after the closing date to maintain the number of employees employed by GAC, its subsidiaries and affiliates at not less than 90% of the aggregate number of such employees employed as of the closing date, provided that the number may be adjusted to reflect any businesses divested by GAC after the date of the Agreement.

H. Continued Support to the St. Louis Metropolitan Area.

For the reasonably foreseeable future after closing, MetLife has agreed that (i) the corporate headquarters and principal executive offices of GAC, Conning and RGA will be located in metropolitan St. Louis, Missouri, and (ii) GAC and its subsidiaries will continue to provide charitable contributions and community support

within the St. Louis area at levels substantially comparable to the historical levels provided prior to closing.

I. Channeling of Liabilities.

The Rehabilitator will seek an injunction from the Rehabilitation Court enjoining any action that might lessen the value of GAMHC's assets or prejudice the rights of its members or creditors. The Rehabilitator will also seek an order from the Rehabilitation Court setting forth the procedures and time limits for filing certain claims. It is the Rehabilitator's express intention that all claims that are permitted to be filed pursuant to the order described in the previous sentence will be asserted solely against GAMHC or the Liquidating Trust.

J. Termination Fee.

GAMHC may terminate the Agreement and enter into another transaction with a party other than MetLife if required by the fiduciary duties of GAMHC's Board of Directors or directed by the Department. If GAMHC terminates the Agreement pursuant to this provision, it must pay MetLife a \$50 million termination fee within one business day following termination. If MetLife sues GAMHC to collect the termination fee and obtains a judgment for the full amount, GAMHC must pay MetLife its costs and expenses, including attorney's fees, in connection with the suit, together with 12% per annum in interest from the date the fee was required to be paid.

K. Change in Control Contracts.

Certain contracts and benefit plans of GAMHC or its subsidiaries have provisions that afford certain groups or individuals the right to certain payments in the event of a change in control of the entity. Some of these provisions may be triggered in the event of the proposed sale to MetLife. The Agreement provides that MetLife and, prior to the closing, GAMHC, will make commercially reasonable efforts to prevent, to the greatest extent possible, the occurrence of a change of control or other similar triggering event.

The Director is very concerned to avoid any group or individual receiving a windfall benefit through a transaction that was, in large measure, forced. Accordingly, the Director is carefully examining these provisions in an effort to structure the transaction in a fashion that avoids these payments, and is considering whether there are legal objections to any such payments.

IV.
BENEFITS AND RISKS OF THE REORGANIZATION PLAN

A. General Overview.

The Reorganization Plan implements the Agreement entered into between MetLife and GAMHC and also includes certain provisions required by law or by the Director. It provides for the sale of GAMHC's stock in GAC to MetLife, which will result in MetLife acquiring GAC's operating subsidiaries. It further provides that the purchase price paid by MetLife be placed in an Account to pay certain claims for which GAMHC agreed to indemnify MetLife, including claims arising from certain litigation, all as specified in the Agreement. Remaining funds will first be available to pay GAMHC's creditors, with the remaining balance to be paid to GAMHC's members in cash or, with respect to certain policies sold to retirement plans, in a form other than cash. GAMHC will then cease to exist and the Account will be liquidated.

As part of the Agreement, MetLife and GALIC have already begun to implement a stabilization program that addresses GALIC's short-term cash needs attributable to the funding agreement contracts. MetLife and GALIC will also develop programs to support new and existing GALIC business pending closing of the sale.

B. Distributions to Members.

Members' interests will be satisfied through payments from the purchase price proceeds. However, because of the possibility of indemnification claims by MetLife and claims by creditors of GAMHC, there is no assurance that the payments to members will total the purchase price proceeds. Also, there will be some claims against GAMHC, such as tax claims and the expenses of the Rehabilitation, which have statutory priority over members' rights to receive funds and which will therefore result in the members receiving less than the full purchase price proceeds.

Because MetLife's indemnification rights last for three years and because of the possibility that other claims may be asserted against GAMHC, there can be no assurance that there will be any substantial distribution to members during the three years after the closing. That period could be longer if, at the end of three years, there are substantial indemnification claims that are unresolved at that time. MetLife has agreed, notwithstanding its indemnification rights, to make 20% of the purchase price proceeds available for distribution within sixty (60) days after the closing, and the Rehabilitator will consider seeking an order from the Rehabilitation Court to make an early distribution to members from a portion of that sum.

The Director has retained actuaries and other consultants to prepare a schedule of members' membership interests. When that schedule has been completed, it will be filed with the Court and members will receive notice of it and be

afforded an opportunity to comment on it. The schedule will be finalized by approval from the Rehabilitation Court.

Once all of those claims have been resolved and the schedule of membership interests has been approved, the Director may commence making distributions to members on account of their membership interests.

C. Rehabilitator's Goals.

The Rehabilitator's goals with respect to the Reorganization Plan are: to protect GALIC's approximately 300,000 policyholders, most of whom also are members of GAMHC, to preserve GAMHC members' value to the extent possible under the circumstances, to protect creditors of GAMHC and its subsidiaries, and to close promptly the sale of GAMHC's stock in GAC to implement these goals.

D. Goals are Best Achieved by the Reorganization Plan.

1. The Reorganization Plan will result in the orderly run-off of certain GAC, GALIC, and GAMHC liabilities through the Account or Liquidating Trust, the latter of which will be administered by the Rehabilitator until such time as all eligible claims have been satisfied. Assets remaining at the end of the term of the Reorganization Plan will be paid to GAMHC's members.

2. The Reorganization Plan will enable GALIC's and its subsidiaries' in-force insurance and reinsurance businesses to continue under the control of MetLife.

3. For at least one year, MetLife will maintain the jobs of most of the current, active employees of GAC, GALIC, RGA, Conning and related subsidiaries.

4. The Plan Confirmation Judgment will prevent wasting of GAMHC assets that could result if there were multiple multi-jurisdictional court actions.

E. Risks Attendant to the Reorganization Plan.

1. There is no certainty that GAMHC will be in a position to fulfill all conditions to closing the sale, since certain conditions such as regulatory and court approvals are not within its control.

2. There is no certainty that, after payment of the claims of higher priority, there will be any residual funds to pay members.

V.

ALTERNATIVES TO THE REORGANIZATION PLAN

The Rehabilitator has determined that the Reorganization Plan would be fair and equitable to all parties concerned. Based on that determination, the Rehabilitator has proposed the Reorganization Plan as the best alternative. The Rehabilitator considered alternatives to the Reorganization Plan, but concluded that there is no preferable alternative.

GAMHC established bid procedures after GALIC was placed in administrative supervision. Those procedures were intended to solicit bids that would provide for interim relief for the funding agreement business and for new and existing GALIC policyholders pending closing of a transaction that could give GALIC an opportunity to restore liquidity and ratings. In addition to the sale option selected, the Department seriously considered three other options: (i) for GALIC to continue to operate in supervision and resolve its funding agreement problems consensually; (ii) consummating a sale of GAC through a demutualization of GAMHC; and (iii) continuing the bid process or revising the bid procedures to explore the possibility of a superior sale.

The Director concluded that none of these options was superior to the one selected or was viable under the circumstances. Each suffered from the same defect: none of them solved the immediate problems faced by the insurance company subsidiaries. These included (i) the need for an immediate source of liquidity to support the funding agreement obligations, and (ii) support for issuing new life insurance business, which had all but ceased in light of the reduced rating from Moody's and associated negative publicity. Moreover, certain of the bidders involved in the sale process indicated that their bids would terminate if not accepted within a short, specified time. Following receipt of advice from their respective financial advisors, GAMHC believed, and the Director concurred, that better and higher bids were not likely to be presented if the bidding process were extended.

VI. REHABILITATOR'S RECOMMENDATIONS

The Rehabilitator believes that the transactions contemplated in the Agreement are fair and equitable to all parties concerned. Under the Reorganization Plan, policyholders are protected and GALIC and other operating subsidiaries will be owned by an insurance company with an A+ rating from A.M. Best, and over \$7 billion in statutory surplus (that is, in excess of its reserves for policyholder obligations) as of December 31, 1998.

Accordingly, the Rehabilitator believes that the Reorganization Plan achieves the goals identified above and affords the enterprise an opportunity to grow and thrive under the direction of MetLife. In addition, MetLife has agreed to provide interim relief to GALIC that is critical to preserving it as a going concern. Therefore, the Rehabilitator believes that the transactions contemplated by the Reorganization Plan and Agreement should be approved by the Rehabilitation Court. (As described earlier, the Department, as well as other insurance departments, still have to review the proposed sale for compliance with various other statutory requirements for such transactions.)

VII.

NOTICE OF THE HEARING ON CONFIRMATION OF THE
REORGANIZATION PLAN AND RELATED PROCEDURES

The Rehabilitation Court has entered orders (i) setting a hearing date to consider approval of the Reorganization Plan, and (ii) approving specified portions of the Agreement and establishing specific procedures for the proposed sale of the common stock of GAC to MetLife. These orders provide, in their entirety, as follows:

**IN THE CIRCUIT COURT OF COLE COUNTY
STATE OF MISSOURI**

KEITH WENZEL, Director, Department of)	
Insurance, State of Missouri,)	
)	
Plaintiff,)	
)	Case No. CV_____
v.)	
)	
GENERAL AMERICAN MUTUAL)	
HOLDING COMPANY, a Missouri)	
mutual holding company,)	
)	
Defendant.)	

ORDER (1) PLACING GENERAL AMERICAN MUTUAL HOLDING
COMPANY INTO REHABILITATION; AND (2) APPROVING NOTICE

OF THE HEARING TO APPROVE PLAN OF REORGANIZATION

This matter comes before the Court on the Verified Petition of Plaintiff for the rehabilitation of General American Mutual Holding Company, a Missouri mutual holding company ("GAMHC"). The defendant's waiver of service of process and consent to rehabilitation is before the Court. The Court, having reviewed the Verified Petition and the consent, finds as follows:

1. Defendant has waived service of process and has consented to entry of this order.
2. Plaintiff Keith Wenzel, Director of the Department of Insurance for the State of Missouri, and his successor or successors in office, are authorized to rehabilitate GAMHC because (a) GAMHC's Board of Directors has consented to an order of rehabilitation, (b) General American Life Insurance Company ("GALIC"), the life insurance company which is indirectly wholly-owned by GAMHC, is in administrative supervision pursuant to Mo. Rev. Stat. ' 375.1160, which is a "proceeding" as described in Mo. Rev. Stat. ' 376.1322, (c) GAMHC's rehabilitation is essential for removing the conditions that led to GALIC's administrative supervision, and (d) the further transaction of business by GAMHC absent the transactions contemplated to be consummated pursuant to this rehabilitation proceeding would be hazardous to the policyholders of GALIC and its insurance company subsidiaries, to the members of GAMHC and to the public.
3. The purpose of the rehabilitation proceeding is to facilitate the sale of the stock of GAMHC's wholly-owned subsidiary, GenAmerica Corporation ("GAC"), to Metropolitan Life Insurance Company, a New York mutual life insurance company ("MetLife"), pursuant to that certain Stock Purchase Agreement entered into by and between GAMHC and MetLife dated as of August 26, 1999, as amended (the "Stock Purchase Agreement"). GAMHC and its advisors engaged in an auction process to identify a potential buyer of such stock under the supervision of the Director, acting as administrative supervisor of GALIC, a wholly-owned subsidiary of GAC. The purpose of the auction process was to select a duly organized, validly-existing life insurance company or holding company with sufficient financial strength to protect the interests of GALIC's policyholders, creditors and the insurance-buying public, and to provide for the distribution of the proceeds of such sale to the holders of certain claims and to the members of GAMHC. As a result of that process, it was determined that MetLife was willing to make the highest and best offer for such stock. Thus, prior to the commencement -- but in anticipation -- of this rehabilitation proceeding, GAMHC entered into the Stock Purchase Agreement, which provides for the sale of the stock of GAC to MetLife, subject to appropriate approvals, including from this Court. GAC owns 100% of the stock of GALIC and various other subsidiaries, and owns, directly and indirectly, the majority of the stock of certain other subsidiaries. The sale of the stock of GAC will be consummated concurrently with the consummation of a plan of reorganization for GAMHC (the "Plan").

WHEREFORE, it is hereby ORDERED, ADJUDGED and DECREED as follows:

1. GAMHC is ordered into rehabilitation proceedings pursuant to Mo. Rev. Stat. ' 375.1165;
2. Keith Wenzel, Director of the Department of Insurance of the State of Missouri, is appointed as rehabilitator of GAMHC (the "Rehabilitator") and is authorized to rehabilitate and to reorganize GAMHC;
3. The Rehabilitator shall forthwith take possession and control of all assets, real property, personal property, books, accounts, records, documents (whether written or in electronic form) of GAMHC and of the premises occupied by GAMHC for transaction of its business;
4. The Rehabilitator shall receive all income due to GAMHC;
5. Title to each and every asset of GAMHC shall vest in the Rehabilitator;
6. The Rehabilitator shall file written accountings with the Court for the period ending December 31, 1999 and for every six month period thereafter until further Order of this Court;
7. The Director may appoint one or more special deputies, who shall have all of the powers, responsibilities, protections and duties of the Rehabilitator, and may appoint such counsel, clerks, accountants, actuaries or other consultants and assistants as the Rehabilitator deems necessary or appropriate;
8. The compensation of the special deputies, counsel, clerks, accountants, actuaries or other consultants and assistants shall be paid out of the assets of GAMHC and shall be fixed by the Rehabilitator with the approval of this Court;
9. The authority of all directors, officers and managers of GAMHC is hereby suspended and their powers are vested in the Rehabilitator, except as to such powers as the Rehabilitator may specifically delegate in writing;
10. All banks, savings and loan associations, thrift associations, depositories, custodians, brokerage organizations, and any other entity holding any of the funds or securities or any other property or assets of GAMHC are expressly ordered not to permit any withdrawal, offset, transfer or any other disposition except upon the prior written instruction of the Rehabilitator or upon order of this Court;

11. The Rehabilitator shall have the power to direct and to manage GAMHC including, without limitation: to sell property or assets of GAMHC; to collect accounts receivable of GAMHC and to pay accounts payable of GAMHC as he determines, in his discretion, to be necessary or appropriate; to enforce or, except as provided in this Court's "Order Approving Certain Matters as to the Acquisition of GenAmerica Corporation by Metropolitan Life Insurance Company" entered on or about September 17, 1999, to affirm or to repudiate contracts, agreements or leases to which GAMHC is a party; to discharge employees subject to contract rights, if any; and to exercise GAMHC's rights to replace the directors and officers of any subsidiary (whether direct or indirect) of GAMHC;

12. The Rehabilitator shall have full and exclusive power to pursue any and all claims, actions, suits or other legal remedies on behalf of GAMHC;

13. The Rehabilitator shall have full power as provided by law to avoid fraudulent conveyances;

14. This Order shall operate as a stay of any pending lawsuit, action or other legal proceeding in any Court in this State in which GAMHC is a party, or in which GAMHC is obligated to defend or to indemnify a party for ninety (90) days after the date hereof, such period to be subject to extension upon request of the Rehabilitator for cause shown;

15. No judgment, order, attachment, garnishment, sale, assignment, transfer, hypothecation, lien, security interest, or other legal process of any kind with respect to or affecting GAMHC or its property or assets shall be effective or enforceable or form the basis of a claim against GAMHC or its property or assets unless entered by this Court or unless this Court has issued its specific order, upon good cause shown and after due notice and hearing;

16. The Rehabilitator shall take such action respecting pending litigation as he deems necessary in the interests of justice and for the protection of the creditors, members and the public and may settle, compromise, dismiss or otherwise to seek to dispose of such matter as he deems prudent and appropriate;

17. The Rehabilitator shall consider all litigation to which GAMHC is a party and may, in his discretion, petition the courts with jurisdiction over such matters for a stay of litigation when he deems it necessary or appropriate to protect the estate of GAMHC;

18. GAMHC and its directors and officers are enjoined from any disposition of the property or assets of GAMHC and from the transaction of any business except as they may be directed in writing by the Rehabilitator. In addition, pursuant to Mo. Rev. Stat. ' 375.1155, and absent further order of this Court, all persons and entities are enjoined from the following:

- a. The transaction of further business of GAMHC without the written approval of the Rehabilitator;
- b. The transfer of any property or asset of GAMHC without the written approval of the Rehabilitator;
- c. Interfering with the Rehabilitator or with this proceeding respecting GAMHC;
- d. Waste of GAMHC's property or assets;
- e. Dissipation and transfer of GAMHC's bank accounts;
- f. The institution or further prosecution of any actions or proceedings against GAMHC or the Rehabilitator other than (i) as provided for in this Order, or (ii) any action by MetLife under the Stock Purchase Agreement or the Plan, in each case, brought in this Court;
- g. The obtaining of preferences, judgments, attachments, garnishments or liens against GAMHC, GAMHC's property or assets, or its members;
- h. The levying of execution against GAMHC, GAMHC's property or assets, or its members;
- i. The making of any sale or deed for nonpayment of taxes or assessments that would lessen the value of the property or assets of GAMHC;
- j. The withholding from the Rehabilitator of books, accounts, documents, or other records relating to the business of GAMHC; and
- k. Any other threatened or contemplated action that might lessen the value of GAMHC's property or assets or prejudice the rights of GAMHC's members or creditors, or the administration of any proceeding respecting GAMHC including but not limited to any threatened or contemplated action against GAMHC's officers or directors;

19. The Rehabilitator, his special deputies, employees, agents and attorneys shall be afforded the immunity specified in Mo. Rev. Stat. ' 375.1166.4. In addition, such individuals, in acting pursuant to the direction, instruction or order of the Court or otherwise acting in a manner authorized by the Court or in implementing any transaction or other determination approved by the Court, shall be considered to be officers of the Court when acting in such capacities and shall also have the same degree of absolute judicial immunity afforded the Court, and shall be immune

from any claims against them personally for any act or omissions committed in the performance of their functions and duties in connection with such actions;

20. The Rehabilitator shall have all powers vested in such receivers by law. The enumeration of the powers and authority of the Rehabilitator herein shall not be construed as a limitation upon him, nor shall it exclude in any manner his right to do such other acts not herein specifically enumerated or otherwise provided for, as may be necessary or appropriate for the accomplishment of or in aid of the purposes of the rehabilitation proceeding;

21. This Court shall retain jurisdiction of the rehabilitation and all related proceedings for all purposes including, without limitation, with respect to any petition pursuant to Mo. Rev. Stat. ' 375.1155 in connection with the administrative supervision of GALIC or in connection with the sale of GAMHC's stock in GAC;

22. There shall be a hearing to consider the approval of the Stock Purchase Agreement and the Plan on November 10, 1999 (the "Plan Confirmation Hearing"). In connection therewith, the following deadlines shall apply:

a. No later than September 27, 1999, the Rehabilitator shall transmit by U.S. mail, first class, notice of the Plan Confirmation Hearing to all members of GAMHC and to all policyholders of GALIC, in the form attached hereto as Exhibit A. In addition, the Rehabilitator shall cause to be published a notice in the form attached hereto as Exhibit B in the national edition of the Wall Street Journal and U.S.A. Today for a period of at least 2 days and in a newspaper of general circulation, once a week, for four consecutive weeks in St. Louis and Kansas City. The Court finds that the notice in accordance with the terms hereof, including the form and contents of Exhibits A and B are reasonably calculated to provide, and do provide, fair, reasonable and adequate notice of these proceedings, this Order and the Plan Confirmation Hearing;

b. Any objection to the approval of the Plan must be made in writing, must specify in detail the name and address of the objector, the grounds for the objection, evidentiary support therefor by way of written declaration submitted under penalty of perjury, and the amount of the objector's claim and the basis for standing by the objector. The objection must be accompanied by a memorandum of legal points and authorities, and must be filed with the Rehabilitation Court and served so as to be received by each of the following no later than 5:00 p.m. Central Daylight Time on October 27, 1999:

General American Mutual Holding Company
700 Market Street
St. Louis, MO 63101
Att'n: Robert Banstetter
Facsimile: (314) 444-0510

Missouri Department of Insurance
Harry S Truman State Office Building
Room 630
301 West High Street
Jefferson City, MO 65102

Att'n: Eric A. Martin, General Counsel
Facsimile: (573) 526-5492

Sidley & Austin
One First National Plaza
55th Floor
Chicago, IL 60603
Att'n: Richard G. Clemens
James R. Stinson
Facsimile: (312) 853-7036

Sidley & Austin
555 West Fifth Street
40th Floor
Los Angeles, CA 90013
Att'n: Thomas E. Patterson
Facsimile: (213) 896-6600

Metropolitan Life Insurance Company
One Madison Avenue
New York, N.Y. 10010-3690
Att'n: Robert Einstein
Facsimile: (212) 578-3916

Dewey Ballantine LLP
1301 Avenue of the Americas
New York, N.Y. 10019
Att'n: Jonathan L. Freedman
Jeff S. Liebmann
Facsimile: (212) 259-6381

LeBoeuf, Lamb, Greene & MacRae, L.L.P.
1875 Connecticut Ave. N.W.
Washington, D.C. 20009
Att'n: Cecilia Kempler
Facsimile: (202) 986-8102
Carson & Coil, P.C.
515 East High Street,
P.O. Box 28
Jefferson City, MO 65102
Att'n: Dana L. Frese
Facsimile (573) 636-7119

LeBoeuf, Lamb, Greene & MacRae, L.L.P.
725 S. Figueroa St., Suite 3600
Los Angeles, CA 90017
Att'n: Helen Duncan
Facsimile: (213) 955-7399
Polsinelli, White, Vardeman & Shalton
127 E. High St.
P.O. Box 275
Jefferson City, MO 65101
Att'n: Lewis E. Melahn
Facsimile (573) 635-9004

The failure to timely object to the Plan in accordance with these provisions may result in the waiver of such objection. Any evidence that is not timely presented in accordance with these provisions may be stricken and may not be considered in determining any contested matter at or in connection with the Plan Confirmation Hearing; and

c. Any pleadings in support of confirmation of the Plan or in response to any objections to the confirmation of the Plan by the Rehabilitator, GAMHC or MetLife must be filed with this Court and served on each person who filed an objection to the approval of the Plan so as to be received by no later than 12:00 p.m., Central Standard Time on November 8, 1999.

So ordered this 17th day of September, 1999 at Jefferson City, Missouri.

s/s Thomas J. Brown III
Judge Thomas J. Brown III

**IN THE CIRCUIT COURT OF COLE COUNTY
STATE OF MISSOURI**

KEITH WENZEL, Director, Department of)	
Insurance, State of Missouri,)	
)	
Plaintiff,)	
)	Case No. CV _____
v.)	
)	
GENERAL AMERICAN MUTUAL)	
HOLDING COMPANY, a Missouri)	
mutual holding company,)	
)	
Defendant.)	

ORDER APPROVING CERTAIN MATTERS AS TO THE
ACQUISITION OF GENAMERICA CORPORATION BY
METROPOLITAN LIFE INSURANCE COMPANY

This matter comes before the Court on the Rehabilitator's Emergency Motion for the Approval of Certain Matters as to the Acquisition of GenAmerica Corporation by Metropolitan Life Insurance Company. In connection therewith, the Court makes the following findings:

1. Defendant General American Mutual Holding Company, a Missouri mutual holding company ("GAMHC"), is in rehabilitation proceedings pending in this Court. Plaintiff Keith Wenzel, Director of the Department of Insurance for the State of Missouri, has been appointed statutory rehabilitator (the "Rehabilitator") pursuant to this Court's "Order (1) Placing General American Mutual Holding Company into Rehabilitation; and (2) Approving Notice of the Hearing to Approve Plan of Reorganization" ("Rehabilitation Order") entered as of this date.

2. The purpose of the rehabilitation proceeding is to permit the sale of the stock of GAMHC's wholly-owned subsidiary, GenAmerica Corporation ("GAC") to Metropolitan Life

Insurance Company, a New York mutual life insurance company ("MetLife"), pursuant to that certain Stock Purchase Agreement entered into by and between GAMHC and MetLife dated as of August 26, 1999, as amended (the "Stock Purchase Agreement").

3. GAMHC and its advisors engaged in an auction process to identify a potential buyer of such stock under the supervision of the Director, acting as administrative supervisor of General American Life Insurance Company ("GALIC"), a wholly-owned subsidiary of GAC. The purpose of the auction process was to select a duly organized, validly-existing life insurance company or holding company with sufficient financial strength to protect the interests of GALIC's policyholders, creditors and the insurance-buying public, and to provide for the distribution of the proceeds of such sale to the holders of certain claims and to the members of GAMHC.

4. As a result of the auction process, it was determined that MetLife was willing to make the highest and best offer for such stock. Thus, prior to the commencement -- but in anticipation -- of this rehabilitation proceeding, GAMHC entered into the Stock Purchase Agreement, which provides for the sale of the stock of GAC to MetLife, subject to appropriate approvals, including from this Court. GAC owns 100% of the stock of GALIC and various other subsidiaries, and owns, directly and indirectly, the majority of the stock of certain other subsidiaries. The sale of the stock of GAC will be consummated concurrently with the consummation of a plan of reorganization for GAMHC (the "Plan").

5. While the overall sale of the stock of GAC to MetLife requires approval of this Court on notice to the affected parties, certain provisions of the Stock Purchase Agreement require immediate consideration by the Court. These include the interim relief that MetLife is providing to support certain aspects of the business of GALIC, and a termination fee to be paid to MetLife in the event there is a superior bid for the stock of GAC. Specifically, as to the interim relief, MetLife has agreed to provide cash on a date certain or exchange contracts for holders of in excess of \$5 billion in funding agreements, and is formulating a plan to support certain of GALIC's new and existing life insurance policies. In addition, the Stock Purchase Agreement provides that GAMHC (whose rights, pursuant to the Rehabilitation Order, are now exercisable by the Rehabilitator) may terminate the Stock Purchase Agreement if an alternative purchase proposal is made that GAMHC's directors conclude their fiduciary duties require them to accept. If the Stock Purchase Agreement is terminated in accordance with that provision, then GAMHC is required to pay MetLife \$50 million.

6. The Stock Purchase Agreement specifies no means by which competing bids may be presented, no deadlines for their presentation and no criteria by which they are to be evaluated. The absence of any specific criteria or deadlines gives rise to the possibility that there may be interposed overbids at any time, on any number of bases, supported by any amount of information-- all of which could give rise to prospective litigation over the potential terms of any overbid and over the payment of the termination fee to MetLife. Such litigation and lack of definition concerning the overbid procedures, in addition to potentially causing significant delay

and expense, could also threaten the business of GALIC and certain other subsidiaries. Prolonged litigation over the ownership of GAC could destabilize the agency network upon which GALIC's business largely depends and undermine confidence by policyholders, potentially leading to surrenders and a slowdown in the origination of new business which, in each case, could threaten GALIC's viability. Moreover, absent the assurance that it would be paid its termination fee in the event of an overbid, MetLife would not be willing to extend the interim protections that are critical to the survival of GALIC's business.

7. Accordingly, having determined that exigent circumstances exist that support entry of this Order on an emergency basis and that the Court has the jurisdiction and the authority to approve the affirmance of executory contracts and to structure the means by which overbids must be presented for consideration, having been presented with stipulated facts by the Rehabilitator, GAMHC and MetLife that support the Court's findings, and good reason being found therefor,

IT IS HEREBY ORDERED, ADJUDGED and DECREED as follows:

1. The following provisions of the Stock Purchase Agreement are hereby affirmed and approved and the obligations of GAMHC and MetLife therein made fully binding and enforceable: (i) Articles VII, XI and XII (with the exception of Section 12.10), (ii) Sections 6.2, 6.3 and 6.4(c), and (iii) with respect to each of the foregoing, any related definitions. This approval and affirmance does not constitute an approval of the sale contemplated by the Stock Purchase Agreement, and does not constitute the approval or order of the Court required under Section 9.2(d) of the Stock Purchase Agreement. Nothing herein is intended to modify or diminish any of the conditions to MetLife's obligations to effect the Closing, as set forth in Section 9.1 or 9.3 of the Stock Purchase Agreement, including requirements as to the accuracy of or compliance with representations, warranties or covenants of GAMHC specified in the Stock Purchase Agreement;

2. The Rehabilitator shall not, and shall direct and use all reasonable efforts to cause his special deputies, employees, agents and attorneys not to, directly or indirectly, and GAMHC shall not, and shall direct and use commercially reasonable efforts to cause its subsidiaries, and each of their respective officers, directors, employees, agents, advisors or other representatives (each, a "Representative") not to, directly or indirectly, (i) solicit, initiate or knowingly encourage the submission of any Proposal (as defined below), (ii) participate in any discussions or negotiations regarding, or furnish to any Person any non-public information with respect to, any Proposal or Alternative Transaction (as defined below), other than with MetLife; provided, however, that if the Rehabilitator receives an unsolicited Proposal with respect to a Control Transaction (as defined below), he may participate in discussions or negotiations concerning such Proposal or furnish (pursuant to a confidentiality agreement in customary form) such information in response to such Proposal or, subject to paragraph 4 of this Order, authorize, engage in or enter into any agreement with respect to such Control Transaction. The Rehabilitator will advise MetLife of, and communicate to MetLife the terms of, any Proposal that GAMHC or the

Rehabilitator or any of GAMHC's wholly-owned subsidiaries or any of their respective Representatives, or, if known by GAC, any of the subsidiaries that are not wholly-owned, may receive, except as otherwise provided in the Stock Purchase Agreement;

3. For purposes of this Order: (i) "Proposal" means any written proposal or offer from any person relating to an Alternative Transaction; (ii) "Alternative Transaction" means any (A) direct or indirect acquisition or purchase of any equity securities of, or other equity interest in, GAC or any of its subsidiaries that if consummated would result in any person beneficially owning (or having the right to acquire) 10 percent or more of any class of equity securities of, or the equity interest in GAC or any of its subsidiaries or which would require approval under any federal, state or local law, rule, regulation or order governing or relating to the current or contemplated operations of GAC or any of its subsidiaries, (B) merger, consolidation, business combination, sale of a material portion of the property or assets (including, without limitation, by means of any reinsurance or renewal rights transaction), liquidation, dissolution or similar transaction involving GAC or any of its subsidiaries, or (C) other transaction the consummation of which would reasonably be expected to impede, interfere with, prevent or materially delay the transactions with MetLife contemplated by the Stock Purchase Agreement or which would reasonably be expected to dilute the benefits of such transactions to MetLife; and (iii) "Control Transaction" means any transaction that involves (A) merger or consolidation or similar business combination involving GAC or a significant subsidiary of GAC, (B) sale of all or substantially all of the assets of GAC, or (C) sale or issuance of the aforementioned stock or other equity securities of GAC to a person which, following the completion of such sale or issuance, will beneficially own such stock or other equity securities of GAC representing a majority of the voting power with respect to the election of the directors of GAC;

4. Subject to paragraph 5 of this Order, the Rehabilitator may terminate the Stock Purchase Agreement upon five days' prior written notice to MetLife if, as a result of a Proposal with respect to a Control Transaction by a party other than MetLife or any of its affiliates, the Director directs that GAMHC terminate the Stock Purchase Agreement or if the Court approves a Control Transaction other than with MetLife in accordance with paragraph 12 hereof;

5. GAMHC shall (i) pay MetLife a fee of \$50,000,000, which amount shall be payable in cash by wire transfer of immediately available funds, within one business day following any termination of the Stock Purchase Agreement by GAMHC pursuant to paragraph 4 of this Order, and (ii) shall cause GALIC to make any further payments to MetLife required under Section 7.1(c)(1) of the Stock Purchase Agreement;

6. Any overbid (an "Overbid") (i) shall be made in writing; (ii) shall be delivered so as to be received by counsel for the Rehabilitator, GALIC and MetLife (at the addresses set forth below) no later than 5:00 p.m. Central Daylight Time on October 27, 1999; (iii) shall be accompanied by evidence that the Proposal constitutes a Qualifying Competing Proposal (as defined below); (iv) shall be accompanied by a deposit of \$5,000,000 in immediately-available

funds to be held by the Rehabilitator pending the outcome of the Plan Confirmation Hearing (of which the lesser of (x) \$1,000,000, or (y) the amount determined by the Court to be the Rehabilitator's actual costs and expenses incurred in analyzing such Overbid shall be non-refundable); and (v) shall be accompanied by a markup of the Stock Purchase Agreement that the overbidder would execute if it were the successful bidder, such markup to contain only modifications to the financial terms of the Stock Purchase Agreement (other than as may be required to reflect the different buyer). All Overbids shall be final in the form submitted and shall not be subject to further increase or change;

7. A Qualifying Competing Proposal is a Proposal for a Control Transaction that (i) provides for cash purchase price consideration payable at closing that is not less than \$100,000,000 greater than contemplated under the Stock Purchase Agreement with MetLife (the "Overbid Purchase Price"); (ii) contains other terms and conditions identical (except for financial terms and other than as may be required to reflect the different buyer) to those set forth in the Stock Purchase Agreement; (iii) is made by an entity that (x) is financially qualified to consummate the Proposal without any contingency pertaining to third-party financing, (y) is capable of operating the acquired businesses on a financially viable basis, and (z) has received a rating from a nationally-recognized statistical rating organization which the Director deems appropriate, after giving effect to the expected effect of the transaction contemplated by the Qualifying Competing Proposal, for the owner of a life insurance company operating in Missouri (for example, a financial condition rating of at least "Excellent" from A.M. Best Company, Inc., or at least an "A+ claims-paying ability" rating from Standard & Poor's Ratings Group would probably be necessary to be deemed appropriate); (iv) is made no later than the last day for making Overbids, as described above; and (v) provides for a capital contribution to GALIC equal to the amounts paid or to be paid to MetLife pursuant to Section 6.20 of the Stock Purchase Agreement;

8. Not later than November 3, 1999, the Rehabilitator shall file recommendations regarding any Overbids received in accordance with the preceding paragraphs with this Court (together with such other information as the Rehabilitator deems necessary or appropriate) and shall deliver copies of the same to MetLife. The recommendations shall address, among other things, the aggregate consideration offered, the bidder's ability to timely close the Proposal, and whether such Proposal is an Overbid and a Qualifying Competing Proposal. The Rehabilitator shall not recommend or accept any Proposal which is not a Qualifying Competing Proposal. Any response by MetLife to the Rehabilitator's recommendations shall be served on counsel listed in paragraph 14 hereof and filed with the Court, in each case so as to be received no later than November 8, 1999 at 12:00 p.m., Central Standard Time;

9. If there are one or more Overbids, MetLife shall be permitted to make a counterbid at or prior to the hearing to approve the sale and the Reorganization Plan, described below. To be considered, such counterbid shall be in an amount at least equal to the highest Overbid Purchase Price of a Qualifying Competing Proposal less \$45,000,000, payable in cash at closing;

10. If there is an Overbid and the sale approved is to a bidder other than MetLife, then MetLife shall be entitled to \$50,000,000 in accordance with the Stock Purchase Agreement, and any further payments required under Section 7.1(c)(i) of the Stock Purchase Agreement, as if GAMHC had terminated the Stock Purchase Agreement;

11. The hearing to consider the approval of the sale and the Stock Purchase Agreement and any matters pertaining to Overbids shall be November 10, 1999 commencing at 9:00 a.m., in the Courtroom of the Hon. Thomas J. Brown, Judge of the Circuit Court of Cole County, at 301 East High Street, Jefferson City, Missouri;

12. At the conclusion of the hearing, the Court, if it otherwise finds the sale to satisfy the statutory requirements, shall approve the sale in accordance with the foregoing procedures;

13. This Court shall retain jurisdiction of the rehabilitation and all related proceedings for all purposes including, without limitation, with respect to any petition pursuant to Mo. Rev. Stat. ' 375.1155 in connection with the administrative supervision of GALIC or in connection with the sale of GAMHC's stock in GAC; and

14. Any notice required hereunder to be provided to the Rehabilitator, GALIC or MetLife pursuant to this Order shall be served on the following persons:

General American Mutual Holding Company Missouri Department of Insurance

700 Market Street

St. Louis, MO 63101

Att'n: Robert Banstetter

Facsimile: (314) 444-0510

Harry S Truman State Office Building

Room 630

301 West High Street

Jefferson City, MO 65102

Att'n: Eric A. Martin, General Counsel

Facsimile: (573) 526-5492

Sidley & Austin

One First National Plaza

55th Floor

Chicago, IL 60603

Att'n: Richard G. Clemens

James R. Stinson

Facsimile: (312) 853-7036

Sidley & Austin

555 West Fifth Street

40th Floor

Los Angeles, CA 90013

Att'n: Thomas E. Patterson

Facsimile: (213) 896-6600

Metropolitan Life Insurance Company

One Madison Avenue

New York, N.Y. 10010-3690

Att'n: Robert Einstein

Dewey Ballantine LLP

1301 Avenue of the Americas

New York, N.Y. 10019

Att'n: Jonathan L. Freedman

Facsimile: (212) 578-3916

Jeff S. Liebmann
Facsimile: (212) 259-6381

LeBoeuf, Lamb, Greene & MacRae, L.L.P.
1875 Connecticut Ave. N.W.
Washington, D.C. 20009
Att'n: Cecilia Kempler
Facsimile: (202) 986-8102

LeBoeuf, Lamb, Greene & MacRae, L.L.P.
725 S. Figueroa St., Suite 3600
Los Angeles, CA 90017
Att'n: Helen Duncan
Facsimile: (213) 955-7399

Carson & Coil, P.C.
515 East High Street,
P.O. Box 28
Jefferson City, MO 65102
Att'n: Dana L. Frese
Facsimile (573) 636-7119

Polsinelli, White, Vardeman & Shalton
127 East High Street
P.O. Box 275
Jefferson City, MO 65101
Att'n: Lewis E. Melahn
Facsimile (573) 635-9004

So ordered this 17th day of September, 1999 at Jefferson City, Missouri.

s/s Thomas J. Brown III

Thomas J. Brown III, Judge

VIII.
FURTHER INFORMATION

If you have questions concerning GAMHC, GAC, GALIC, the Reorganization Plan, this notice, or any of the documents referred to in this notice, please contact the General American Information Center, toll-free at 1-888-700-3840 or by mail:

General American Mutual Holding Company
C/o EquiServe
First Chicago Trust Division
P.O. Box 8281
Edison, N.J. 08837-8281

**PLEASE NOTE THAT ALL OBJECTIONS WHICH YOU WISH
THE REHABILITATION COURT TO CONSIDER MUST BE DELIVERED
IN WRITING IN ACCORDANCE WITH THE FOREGOING ORDERS.**

GLOSSARY OF DEFINED TERMS

In this Notice, unless otherwise specifically provided or the context requires otherwise, the following terms have the meanings set forth below:

"Account" means the account to be established pursuant to the Reorganization Plan to receive and to hold the purchase price proceeds.

"Agreement" means the Stock Purchase Agreement dated as of August 26, 1999, as amended, by and between General American Mutual Holding Company and Metropolitan Life Insurance Company, as modified or amended from time to time.

"ARM" means ARM Financial, Inc.

"Conning" means Conning Corporation, a subsidiary of GALIC.

"Department" means the Missouri Department of Insurance.

"Director" means the Director of the Department.

"GAC" means GenAmerica Corporation.

"GALIC" means General American Life Insurance Company.

"GAMHC" means General American Mutual Holding Company.

"Integrity" means Integrity Life Insurance Company.

"Liquidating Trust" means a trust or other entity that may be created to distribute the purchase price proceeds.

"MetLife" means Metropolitan Life Insurance Company.

"Plan Confirmation Judgment" means the judgment which the Rehabilitator will request be entered at the conclusion of the hearing that will commence on November 10, 1999.

"Rehabilitation Court" means the Circuit Court of Cole County, Missouri.

"Rehabilitator" means the Director, acting as the rehabilitator of GAMHC.

"Reorganization Plan" means the proposed plan for the reorganization of GAMHC.

"RGA" means Reinsurance Group of America, Incorporated, a subsidiary of GALIC.